

STATE OF MAINE  
PUBLIC UTILITIES COMMISSION

DOCKET NO. 2001-189

Farmington Village Corporation  
Application for Approval of  
Issues of Securities (§902) (\$300,000)

March 27, 2001  
ORDER APPROVING  
ISSUES OF SECURITIES

WELCH, Chairman; NUGENT and DIAMOND, Commissioners

---

In this order, we grant authority to Farmington Village Corporation (Farmington) to enter into a loan agreement with Franklin Saving Bank as described below.

On March 14, 2001, Farmington filed with the Commission its application for authority to enter into a loan agreement for a sum not to exceed \$300,000 with Franklin Saving Bank, at an annual rate not to exceed 4.95 percent, on a 10-year balloon arrangement (i.e.: at the end of the initial 10-year period, the interest rate will be reevaluated). The debt is to be amortized over 25 years.

Farmington requires these funds for the purposes of rewriting a short-term note that is due to mature on June 21, 2001. The funds were used to replace the 25-year-old reservoir cover on the Powder House Hill location in Farmington during the summer of 1999. In addition, the intervale well site was updated.

Having reviewed the application of Farmington, together with data filed in support of it, the Commission finds that the proceeds of the issuance of the note are required in good faith for the purposes enumerated in 35-A M.R.S.A. § 901. However, since the interest rate is only set for the first ten years, we will require Farmington to file a new application when the interest rate is reset if the rate exceeds the current 4.95 percent per year. In approving this securities issue, consistent with normal practice and pursuant to 35-A M.R.S.A. § 902 (4), the Commission does not imply approval of the District's capital needs or capitalization ratio for ratemaking purposes, nor does this Order limit or restrict the powers of the Commission in determining or fixing any rate.

Accordingly, we

O R D E R

1. That Farmington is hereby authorized to enter into a loan agreement in a sum not to exceed \$300,000 to be used solely for the purposes described in this Order, and at a rate not to exceed 4.95 percent per year with Franklin Saving Bank for a term not to exceed 25 years as further described in the body of this order.

2. That Farmington report to this Commission, in writing, its actions pursuant to this Order within (60) days of the date of the issuance of the loan, or by July 2, 2001, whichever may come first.

3. That the Administrative Director is hereby directed to mail an attested copy of this Order to interested parties and to close this Docket.

Dated at Augusta, Maine, this 27<sup>th</sup> day of March, 2001.

BY ORDER OF THE COMMISSION

---

Dennis L. Keschl  
Administrative Director

COMMISSIONERS VOTING FOR:

Welch  
Nugent  
Diamond

### NOTICE OF RIGHTS TO REVIEW OR APPEAL

5 M.R.S.A. § 9061 requires the Public Utilities Commission to give each party to an adjudicatory proceeding written notice of the party's rights to review or appeal of its decision made at the conclusion of the adjudicatory proceeding. The methods of review or appeal of PUC decisions at the conclusion of an adjudicatory proceeding are as follows:

1. Reconsideration of the Commission's Order may be requested under Section 1004 of the Commission's Rules of Practice and Procedure (65-407 C.M.R.110) within 20 days of the date of the Order by filing a petition with the Commission stating the grounds upon which reconsideration is sought.
2. Appeal of a final decision of the Commission may be taken to the Law Court by filing, within 30 days of the date of the Order, a Notice of Appeal with the Administrative Director of the Commission, pursuant to 35-A M.R.S.A. § 1320(1)-(4) and the Maine Rules of Civil Procedure, Rule 73, et seq.
3. Additional court review of constitutional issues or issues involving the justness or reasonableness of rates may be had by the filing of an appeal with the Law Court, pursuant to 35-A M.R.S.A. § 1320(5).

Note: The attachment of this Notice to a document does not indicate the Commission's view that the particular document may be subject to review or appeal. Similarly, the failure of the Commission to attach a copy of this Notice to a document does not indicate the Commission's view that the document is not subject to review or appeal.